FILED
AUG 30 1944
CHARLES ELMORE CROPLEY
CLERK

Supreme Court of the United States

OCTOBER TERM, 1944.

No. 414

CONSOLIDATED REALTY CORPORATION, REALTY ASSOCIATES SECURITIES CORPORATION, Debtor, and AMALGAMATED PROPERTIES, INC.,

Petitioners,

v.

EDWIN B. MEREDITH, JACOB R. SCHIFF, and MILTON C. ZAIDENBERG, constituting the Bondholders' Protective Committee; JOHN VANNECK, BARBARA B. VANNECK, EQUITABLE HOLDING CORPORATION, VANNECK REALTY CORPORATION and FRANK BAILEY; ANNA KUHLMANN and CATHERINE KUHLMANN, *et al.*,

Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SECOND CIRCUIT.

WILLIAM P. PALMER,
Counsel for Consolidated Realty Corporation, Petitioner.

JAMES B. ALLEY,
Counsel for Realty Associates Securities Corporation, Debtor, Petitioner.

JAMES F. DEALY,
Counsel for Amalgamated Properties, Inc., Petitioner.

JOHN D. GOODLOE,
General Counsel, Reconstruction Finance Corporation, the holder of all the capital stock of Petitioner Consolidated Realty Corporation.

August, 1944.

INDEX.

	PAGE
Opinions Below	2
Jurisdiction	2
Questions Presented	3
Statutes Involved	3
Statement	4
Rulings of the Courts Below	6
Specifications of Errors to Be Urged	8
Reasons Relied on for Allowance of Writ	8
Conclusion	16
Appendix	17

Authorities.

PAGE

Bankruptcy Act,
Section 24(c) 2
Section 156 ..... 3, 4, 7, 8, 10, 11, 12, 13, 14, 15, 17
Section 158 ..... 3, 7, 8, 14, 15, 17
Section 167 ..... 11, 18
Section 169 ..... 11, 18
Section 189 ..... 3, 4, 10, 19
Chapter X 3, 4, 8, 10, 11, 12

Chandler Bill (H. R. 8046) 9, 12

Collier on Bankruptcy (14th Ed., V. 7, p. 318, Note 3) 11

Hearing before the House Judiciary Committee, 75th Cong., 1st Session, on H. R. 6439 and H. R. 8046 9

Hearing before Sub-committee of the Senate Judiciary Committee on H. R. 8046, 75th Cong., 2nd Session (1937-1938) 9, 13

Judicial Code, Section 240 (a), c. 229, §1, 43 Stat. 938 [28 U. S. C. A. Sec. 347] 3

Realty Associates Securities Corporation, In Re, 54 F. Supp. 787 (E. D. N. Y., 1944) 6

Securities and Exchange Commission, Fifth Annual Report 10, 14

Senate Report No. 1916, 75th Congress, 3d Session (1938) 9, 12, 13

Supreme Court of the United States

OCTOBER TERM, 1944.

No.....

CONSOLIDATED REALTY CORPORATION, REALTY ASSOCIATES SECURITIES CORPORATION, Debtor, and AMALGAMATED PROPERTIES, INC.,

Petitioners,

v.

EDWIN B. MEREDITH, JACOB R. SCHIFF, and MILTON C. ZAIDENBERG, constituting the Bondholders' Protective Committee; JOHN VANNECK, BARBARA B. VANNECK, EQUITABLE HOLDING CORPORATION, VANNECK REALTY CORPORATION and FRANK BAILEY; ANNA KUHLMANN and CATHERINE KUHLMANN, *et al.*,

Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE SECOND CIRCUIT.

To the Honorable Harlan F. Stone, Chief Justice, and the Associate Justices of the Supreme Court of the United States:

The petition of CONSOLIDATED REALTY CORPORATION (a wholly owned subsidiary of Reconstruction Finance Corporation, hereinafter called "RFC", and owner of all the stock of Realty Associates Securities Corporation, the

Debtor herein), Realty Associates Securities Corporation, Debtor, and Amalgamated Properties, Inc. (a bondholder of the Debtor and a wholly owned subsidiary of Consolidated Realty Corporation) prays that a writ of certiorari issue to review the judgment of the Circuit Court of Appeals for the Second Circuit entered in the above case on August 8, 1944 (R., 378) reversing two orders of the District Court of the United States for the Eastern District of New York (R., 112-113; 355-358).

Upon application of the petitioners, the issuance of the mandate of said Circuit Court of Appeals has been stayed by appropriate order of that Court entered August 5, 1944.

Opinions Below.

The opinion of the Circuit Court of Appeals for the Second Circuit (R. 373) is not yet reported. The judgment below (Judge Learned Hand dissenting) reversed two orders* of the District Court. In deciding the motion which resulted in the first order (R. 112-113), the District Judge rendered only an oral opinion (R. 112). The opinion (R. 352-354) of the District Judge upon which the second order (R. 355-358) was entered, is reported in 54 F. Supp. 785.

Jurisdiction.

The judgment of the Circuit Court of Appeals was entered on August 8, 1944 (R. 378). The jurisdiction of this Court is invoked under Section 24(c) of the Bankruptcy Act (c. 575, §1, 52 Stat. 854 [11 U. S. C. A. 47c].) and

* The first order (R. 112-113) dated November 4, 1943, denied a motion to vacate the appointment of the Additional Trustee. The second order (R. 355-358) dated February 4, 1944, overruled objections to the retention of the Additional Trustee and continued him in office.

under Section 240(a) of the Judicial Code as amended by the Act of February 13, 1925. (c. 229, §1, 43 Stat. 938 [28 U. S. C. A. Sec. 347].)

Questions Presented.

In a proceeding for the reorganization of a corporation under the provisions of Chapter X of the Bankruptcy Act, as amended, the District Court, pursuant to Section 156 of the Act, appointed as an Additional Trustee, for the limited purpose specified in Section 189 of said Act, a director of the Debtor, whose integrity and ability are unquestioned. He is also Special Representative of RFC (the indirect owner of all the Debtor's stock) and an officer and director of other corporations in which RFC is interested, with some of which corporations the Debtor has had and is likely to have business relations. The questions are:

1. Does Section 158 of said Act apply to an Additional Trustee appointed to serve solely in the operation of the Debtor's business and in the management of its property?

2. Is an Additional Trustee appointed under Section 156 of the Act required to be disinterested within the meaning of Section 158?

3. Does Section 158 require the disqualification of a director of the Debtor from acting in the limited capacity of Additional Trustee merely because of his and RFC's dual relationships as between the Debtor and other corporations likely to have business dealings with the Debtor?

Statutes Involved.

The relevant provisions of the Bankruptcy Act, as amended, are found in the Appendix *infra,* pages 17-19.

Statement.

In approving a voluntary petition (R. 35-62) for the reorganization of the debtor corporation under Chapter X of the Bankruptcy Act, the District Judge appointed two Trustees having no prior connection with the Debtor or its affairs and an Additional Trustee who was a director of the Debtor* (R. 68-69, 77-79).

The Debtor's business consisted principally of making mortgage loans, buying, selling, holding, servicing and dealing in mortgages and other real estate securities and holding, servicing, managing and selling real estate acquired through foreclosure of mortgages (R. 35, 43). Its assets at the commencement of the proceeding were conservatively appraised at approximately $8,500,000, and its equity over and above all outstanding indebtedness was likewise estimated at upwards of $1,500,000. A large part of these assets, consisting of interests in hotels, loft buildings, factory and office buildings, apartment houses, residences, stores and practically every other type of real property, were of such a nature that their proper administration required the services of a person of broad and special experience in the mortgage and real estate field (R. 37-42, 159).

The two disinterested Trustees are lawyers, actively engaged in practice, one being President of the Brooklyn Bar Association (R. 194, 198, 199, 216). The Additional Trustee is a man of wide experience in the real estate, mortgage and banking fields, with an intimate knowledge of substan-

---

* In any case where a Trustee is appointed, Section 156 of the Act specifically authorizes the appointment of a director, officer, or employee of a debtor as an Additional Trustee for the limited purposes specified in Section 189 of the Act.—operating the business and managing the property of the debtor in conjunction with the Trustee.

tially all of the Debtor's several hundred different holdings.* He has been very helpful to the distinterested Trustees in the administration of the estate and has furnished them with information and assistance in connection with the solution of problems before them that otherwise would never have been available to them (R. 196-197, 206, 215, 221-222).

The Additional Trustee has for many years been a Special Representative of RFC, which indirectly owns all of the Debtor's stock (R. 172-173, 314). In addition, he is an officer or director of other corporations in which RFC is interested, with some of which corporations the Debtor has had and is likely to have business relations. The interest of RFC in such corporations is (either directly or through petitioner Consolidated Realty Corporation), as a stockholder, a creditor, or a holder of a residual stock interest in liquidation (R. 102-103, 135, 172-173, 240-241, 292-293, 307-314, 322, 332).

RFC's interest in the Debtor and in these other corporations and the Additional Trustee's connection therewith resulted from RFC's foreclosure of the collateral pledged

---

* The Additional Trustee, Mr. Jerome Thralls, has been a member of the Board of Directors of the Debtor since 1935, a member of the Debtor's Executive and Salary Committees since 1939, and also a member of various sub-committees appointed by the Board from time to time to handle complicated reorganizations and important sales of interests in real estate and other matters; he has been active in the management and operation of the Debtor's property, and is thoroughly familiar with its operations, assets and personnel (R. 83, 102, 107, 153-156, 158-161, 164, 167, 170, 176, 229, 242-243, 296, 332). He has personally inspected most of the Debtor's properties (R. 160-161, 176, 229, 298-299, 332). He took part in negotiations and had a hand in deciding everything of importance which the Board and the Executive Committee passed upon in connection with Debtor's business, including matters of policy (R. 229). Most of Mr. Thralls' time since 1934 up to the present time has been devoted to reorganizing and operating properties of various corporations, consisting of hotels, apartment buildings, etc., and mortgages and real estate securities running "into perhaps $300,000,000" (R. 174-176, 284-285, 287, 290-293, 301, 307-313).

with it to secure a $20,000,000 loan which it had made to The Prudence Company, Inc. in 1932 and the guaranty of said loan by New York Investors, Inc., the parent of The Prudence Company, Inc. The Debtor was then a subsidiary of New York Investors, Inc., and all of its capital stock, among other securities, had been pledged with RFC as collateral security for the loan. Upon acquiring the Debtor's stock RFC transferred it to petitioner Consolidated Realty Corporation, a wholly-owned subsidiary (R. 172-174).

The District Judge was thoroughly familiar with RFC's interests in the companies formerly part of the Prudence Group and with the Additional Trustee's relationship to RFC and those companies (R. 174-175, 291, 353-354).

During the pendency of the Debtor's reorganization proceedings any question relating to transactions between the Debtor and any other corporation with which the Additional Trustee is connected or in which RFC is interested, is left to the two Trustees and to the Court. The District Court requires that in the case of any sale of property, extension of mortgage, investment of Debtor's funds, or other matters of any importance in connection with the operation of the Debtor's business, application be made to it upon notice to all interested parties for authority to take action (R. 323, 354). *In re Realty Associates Securities Corporation*, 54 F. Supp. 787, 789 (E. D. N. Y., 1944).

Rulings of the Courts Below.

After full hearing before the District Court, Judge Moscowitz overruled all objections to the appointment and retention in office of the Additional Trustee. He found that

the Additional Trustee, by reason of his experience, ability, knowledge and direction of the affairs of the Debtor, was to a large degree indispensable and that his advice, assistance and direction were very essential to the management of the business. The District Court also found that, by Section 156 of the Act, Congress intended to and did authorize the appointment of an interested person as an Additional Trustee.

The Circuit Court of Appeals expressed its complete confidence in the integrity of the Additional Trustee, and indeed no one questioned his integrity or ability. The Circuit Court, by a divided Court, nevertheless reversed the District Judge. Judge Swan wrote the majority opinion in which Judge Clark concurred. Judge Learned Hand dissented.

The majority of the Court below held that under Section 158(4) of the Bankruptcy Act, the Additional Trustee was disqualified as a matter of law by reason of his "dual interests" arising out of his representation of RFC, which in turn, is interested in other corporations that have had and are "likely to continue to have business dealings with the Debtor".

In his dissenting opinion, Judge Learned Hand stated that in his view of Section 158(4), and assuming withdrawal by an "operating" [Additional] Trustee from transactions in which he might have an adverse interest, the District Court should be allowed in its discretion to decide whether it needs such "operating" trustee in those transactions in which he can act and that there is good ground for distinguishing "operating" trustees in this respect from those having general responsibility as to the reorganization.

Specifications of Errors to be Urged.

The Court below erred: (1) in holding that Section 158 of the Bankruptcy Act applied in the case of an Additional Trustee appointed pursuant to Section 156 of the Act; (2) in holding that Congress intended that Section 158 of the Act should apply in the case of such an Additional Trustee; (3) in holding that the mere existence of the dual relationships of the Additional Trustee and RFC as between the Debtor and other corporations likely to have business relations with the Debtor compelled it to reverse the orders appealed from; (4) in failing to hold that such an Additional Trustee was qualified to act as such under the said Bankruptcy Act.

Reasons Relied on for Allowance of Writ.

The reasons relied on by petitioners for allowance of a writ of certiorari by this Court are:

1. The decision of the Circuit Court of Appeals for the Second Circuit is a decision of first impression and involves an important question of Federal law, namely, the construction of basic provisions of the Federal Bankruptcy Act, which has not been, but should be, settled by this Court.

2. The decision below construes sections of Chapter X of the Bankruptcy Act which vitally affect creditors and stockholders alike in all important corporate reorganizations under the Act. These sections relate to the qualifications and functions of trustees, which constituted one of the most controversial subjects during several years of hearings and study of proposed changes in reorganization procedure under the Bankruptcy Act, by Congressional Committees, the Department of Justice, the National Bank-

ruptcy Conference, Committees from numerous Bar Associations, representatives of various credit associations, the Securities and Exchange Commission and prominent members of the Bench and Bar.*

For years it had been debated whether trustees should or should not be completely disinterested persons having no prior association with the management of a debtor. Until the making of the final amendments, recommended by the Senate Judiciary Committee shortly before its passage, the Bill had limited the appointment of trustees to disinterested persons having no prior association with the management (H.R. 8046). The functions of the disinterested trustees, as proposed by the Bill, were, among others, to investigate the affairs of the debtor and the desirability of the continuance of its business, and to formulate a plan of reorganization, in addition to operating the debtor's business and managing its properties. The provision later made, which authorized the appointment of an interested person, associated with the management, as an additional trustee for the sole purpose of serving in the operation of the business and the management of the property of a debtor, was a compromise (Senate Report No. 1916, pp. 27-28).

Under this compromise, the functions of the disinterested trustees, as proposed in the Bill, were continued but the Court was authorized to appoint a representative of the management—a director, officer or employee—to serve solely in the operation of the business and the management

---

* Hearing before the House Judiciary Committee on H. R. 6439 and H. R. 8046, 75th Cong., 1st Session, Statement of Representative Chandler, pp. 2-3, 164-165, 174, 290, 327-328, 343, 367-370; Senate Report No. 1916 accompanying H. R. 8046, 75th Cong., 3rd Session, Part 2, p. 6 [1938]; Hearings before a Sub-committee of the Senate Judiciary Committee, 75th Cong., 2nd Session [1937-1938], pp. 20, 29-30, 103, 200-201.

of the property.* However, the amendment having been superimposed upon a Bill which contemplated only the appointment of completely disinterested trustees with no prior connection with the management, considerable confusion has resulted as to the qualifications required under the Act of the important office of additional trustee.

While objecting on other grounds, not relevant to the issues here involved, to the retention in office of the Additional Trustee, the Securities and Exchange Commission took the position in this case that the provisions of Section 158 of the Act did not apply to an Additional Trustee, but that an ambiguity arose from the last-minute insertion of a single sentence respecting Additional Trustees in a statutory framework built to accommodate only disinterested Trustees.**

The decision of the Court below casts in doubt the status of Additional Trustees appointed in Chapter X proceedings. The widespread view of the Bench and Bar has been

---

* The Additional Trustee serves in the operation of the business and the management of the property in conjunction with the disinterested Trustee (Secs. 156 and 189 of the Act). See also Fifth Annual Report by the Securities and Exchange Commission, p. 12, where it states that the function of the Additional Trustee is limited to "assisting in the operation of the business" and refers to an unreported case.

** The brief of the S. E. C. in the Court below (at p. 20) refers to the ambiguity arising from the last-minute addition of the Additional Trustee provision. In a letter to the District Judge dated December 15, 1943, the S. E. C. stated its position with respect to the appointment of an Additional Trustee as follows:

> "(1) It is the contemplation of Section 156 of Chapter X that an additional trustee should be appointed only in unusual and exceptional cases where services and experience essential to the business operations of a trusteeship can not be obtained through the employment of the officers of a debtor;
>
> "(2) The employee, officer or director who is selected as additional trustee should be an active operating man skilled in and thoroughly familiar with the workaday problems of the business; and
>
> "(3) *A person satisfying these qualifications may serve as additional trustee even though he is not disinterested within the meaning of Section 158 of Chapter X.*" (Italics supplied.)

in accord with the conclusion of the Securities and Exchange Commission that Section 158 does not apply to an Additional Trustee. This is reflected in *Collier on Bankruptcy* (14th Ed., V. 7, p. 318, Note 3) where it is stated:

> "The additional trustee must be a director, officer or employee of the debtor and he need not have the qualifications of a disinterested trustee. §156."

Consequently it is most important that the status of Additional Trustees be clarified by this Court.

3. The provisions of Chapter X governing the qualifications and functions of trustees constituted a novel procedure introducing basic changes in corporate reorganization.

For the first time, courts were required in all cases involving over $250,000, to appoint distinterested trustees charged with investigating the affairs of the debtor, recommending whether or not the business should be continued and formulating a plan (Sections 156, 167, 169). Under Section 158 no one having any interest in, or connection with, the debtor could be deemed to be disinterested for the purpose of qualifying as such trustee.

For the first time also, provision was made for the appointment of an Additional Trustee to serve solely in the operation of the business and in the management of the property (Sec. 156).

These provisions form a vital part of a comprehensive program to regulate corporate reorganizations, designed to remove abuses of the past while protecting the interests of all concerned. The program contemplated that control of the investigation of the prior conduct of the business, and the formulation of a plan of reorganization should be removed from the debtor and vested exclusively in trustees having no prior connection with the debtor or its property. At the same time, it was also recognized that such disinter-

ested trustees would generally be unfamiliar with the business and that the efficient operation of the business and the preservation of the value of the debtor's assets might require the services of a person formerly connected with the management who was qualified by ability, experience and knowledge to protect the assets of the debtor by assisting in the operation of the business and the management of the property during the reorganization (Senate Report No. 1916, pp. 27-28). It is, therefore, highly important, in order to carry out the purposes of the Act, that the qualifications and functions of the different officers appointed under the Act be clearly defined by this Court.

4. The decision below unduly restricts the class from which Additional Trustees may be appointed, contrary to the provisions and purposes of the amendment added by the Senate. Until the question is settled by this Court, the District Judges charged with carrying out the provisions of Chapter X, as well as creditors and stockholders in all important corporate reorganizations, may be erroneously deprived of the services of those persons best qualified by ability, experience and intimate knowledge of a debtor's affairs to serve in one of the most important offices in the administration of a debtor's estate, namely, the operation of its business and the management of its property during reorganization.

As the Bill came from the House (H.R. 8046), Section 156 provided for the appointment only of disinterested trustees in every case, as follows:

> "Upon the approval of a petition, the judge shall, if the indebtedness of a debtor, liquidated as to amount and not contingent as to liability, is $250,000 or over, appoint one or more trustees who shall be disinterested and shall have the qualifications prescribed in section 45 of this Act, except that

> the trustee need not reside or have his office within the district. If such indebtedness is less than $250,000, the judge may appoint one or more such trustees or he may continue the debtor in possession."

Upon the recommendation of the National Bankruptcy Conference, Section 156 was amended in the Senate so as to divide the first sentence quoted above into two sentences, reading:

> "Upon the approval of a petition, the Judge shall * * * appoint one or more trustees. Any trustee appointed under this chapter shall be disinterested * * *."

The limited purpose of this amendment was stated on behalf of the National Bankruptcy Conference as follows: "That is to make it clear that the same qualifications are required for a trustee who is appointed subsequently in the proceedings as are required when the appointment is made on the approval of the petition." Hearings before Sub-Committee of the Senate Judiciary Committee on H.R. 8046, 75th Cong. 2nd Session [1938], p. 77.

Thereafter, the last sentence of Section 156, providing for the appointment of a director, officer or employee as an Additional Trustee, was added by the Senate Committee and thereafter was adopted by both the House and the Senate in that form.

Therefore, the requirement in Section 156 that "Any trustee * * * shall be disinterested" was intended to relate, and does relate, only to the trustee who *must* be appointed under Section 156 and not to an Additional Trustee who *may* be appointed in the Court's discretion for the limited purpose of assisting in the operation of the business.

This view is confirmed by the portion of Senate Report No. 1916, 75th Congress, 3d Session, pp. 27 and 28, dealing

with the amendment to Section 156 providing for the appointment of Additional Trustees, as follows:

> "* * * However, in order to make it possible for the Court to make use of the knowledge and experience of the officers and employees of the debtor in the management and operation of the debtor's business and property as the facts of particular cases may seem to make desirable, the judge is authorized by the amendment, wherever a *disinterested* trustee has been appointed, to appoint also *any* officer, director or employee of the Debtor as an additional trustee. Such additional trustee will function as provided in Section 189." (Italics provided.)

The use of the term "any" is particularly significant and shows Congress intended no such limitation as that imposed by the Court below.

It is also to be noted that the Senate Committee speaks of a "disinterested trustee" as distinguished from the "additional trustee". The Securities and Exchange Commission has recognized the same distinction.*

The Court below disregarded the distinction drawn by Congress between the disinterested Trustee and the Additional Trustee and erroneously held that the provision in Section 156 providing that "Any trustee appointed under this chapter shall be disinterested * * *" compelled the conclusion that the Additional Trustee was required to be disinterested within the meaning of Section 158 provided only that he might be a director, officer or employee.

If Congress had intended this construction, it is reasonable to suppose that it would have enacted the second sentence of Section 156 in the following form:

> "Any trustee * * * shall be disinterested * * * provided, however, that the court may appoint a

* At p. 12 of its Fifth Annual Report to Congress it distinguishes between the Trustee who must be appointed in all cases involving over $250,000 and the Additional Trustee by referring to them as "disinterested trustee" and "interested trustee", respectively.

director, officer or employee of the debtor as an additional trustee for the purposes specified in Section 189."

In Section 156 as enacted, however, the authorization for the appointment of an Additional Trustee is placed in a separate sentence at the end of the section. Since the Additional Trustee provision was not drawn as a limited exception, it must be interpreted as a second power given to the Court, independent of the preceding direction to appoint a disinterested trustee in every case.

Having authorized the appointment of Additional Trustees from the class having the greatest possible "adverse interest," Congress did not intend to disqualify a director, officer or employee because of some relatively minor "interest." If Section 158 applies to Additional Trustees, it follows that any director, officer or employee who has a remote additional connection with the affairs of a debtor may be disqualified from assisting the disinterested Trustees in operating the business and protecting the property. Any such result would defeat the purpose of the Additional Trustee provision by unduly hampering the Courts in administering estates in reorganization.

5. The mere existence of a dual interest in a debtor and in another corporation likely to have business with it should not automatically disqualify an Additional Trustee. The policy of the Act requires that the Courts be given latitude in the selection of an officer whose function is limited solely to the operation of the business and the management of the property. In this case the District Court had, from the beginning, provided ample safeguards by requiring specific application for authority to the Court prior to any important action by the Trustees (*supra*, p. 6). Such close supervision by the Court, coupled with the withdrawal by the Additional Trustee from any transactions in which he or RFC might be interested, provides ample protection for all interested parties; the Additional Trus-

tee's activities are so limited that no question of material adverse interest to any class of creditors or stockholders can arise. The District Judge has shown that he desires the services of the Additional Trustee on this limited basis and he should not be prevented from obtaining services which he considers valuable to the operation of the business and in the best interests of all concerned. This is in line with the view of Judge Learned Hand expressed in his dissenting opinion.

Conclusion.

WHEREFORE, it is respectfully submitted that this petition for a writ of certiorari should be granted to review the judgment of the court below.

WILLIAM P. PALMER,
Counsel for Consolidated Realty Corporation, Petitioner.

JAMES B. ALLEY,
Counsel for Realty Associates Securities Corporation, Debtor, Petitioner.

JAMES F. DEALY,
Counsel for Amalgamated Properties, Inc., Petitioner.

JOHN D. GOODLOE,
General Counsel, Reconstruction Finance Corporation, the holder of all of the capital stock of Petitioner Consolidated Realty Corporation.

Believing that the question of review of the decision below is worthy of consideration by this Court, I have authorized the filing of the foregoing petition.

CHARLES FAHY,
Solicitor General of the United States.

August, 1944.